Approved For Release 2003/10/01: CIA-RDP80-00809A000500740201-4 CLASSIFICATION CONFIDENTLE SECURITY INFORMATION 25X1A REPORT NO CENTRAL INTELLIGENCE AGENCY CD NO. DATE OF Dec. 29, 1952 -COUNTRY COMMUNIST CHINA INFORMATION Jan. 4, 1953 SUBJECT INDICATIONS OF PSYCHOLOGICAL VULNERABILITIES DATE DIST. 31 JAN 53 **PUBLISHED** CHANGE TO HNGLASSIFIED NO. OF PAGES 🏏 **PUBLISHED** PER REGRADING TLC BULLETIN NO. **PUBLISHED** SUPPLEMENT TO REPORT NO.

OF THE UNITED STATES, WITHIN THE MEANING OF TITLE 18. SECTIONS 783 IND 724. OF THE U.S. COOL, AS AMENDED. ITS TRANSMISSION OR REVE LATION OF ITS CONTENTS TO OR RECEIPT BY AN UNAUTHORIZED PERSON (ROHIBITED BY LAW, THE REPRODUCTION OF THIS FORM IS PROHIBITED

25X1A

25X1

HOW

WHERE

DATE

LANGUAGE

THIS IS UNEVALUATED INFORMATION

CPW Report No. 55-A -- COMMUNIST CHINA (Dec. 29, 1952 - Jan. 4, 1953)

SECURITY INFORMATION CONFIDENTIAL CLASSIFICATION X NSRB DISTRIBUTION STATE NAVY ARMY Release 2003/10/01 : CIA-RDP80-00809A000500740201-4

Approved For Release	2003/10/01 :	CIA-RDP80-00809A0005 257∕40£ 01-4
----------------------	--------------	--

CONFIDENTIAL

SUMMARY

Ceremonies marking transfer of the Chinese-Changchun Railway include dedication of a memorial hall to Sino-Soviet friendship, the customary thanks to Stalin for returning to the Chinese their own property, and citations for 1,300 Russians who have directed the railway. Aside from this, SSF seems surprisingly deemphasized, despite Soviet advice to Chinese workers to strengthen SSF bonds. Regardless of enthusiastic reports on new mineral discoveries in the Northwest, the Northeast, where Russian concerns are well established, is singled out for prior exploitation.

Revival of Resist-America, Aid-Korea propaganda, new concern for preferential treatment of Armymen's dependents "in distress," and a new tax scheme, all testify to growing war burdens. The new tax law apparently includes a sales tax on all transactions, and admittedly will affect even "peasants, fishermen, and nomads." Chinese soldiers in Korea are urged to endure a "harder struggle," and a kim Il Sumg promise to continue fighting is exploited.

Russianization moves include the launching of China's first Five Year Plan, and a bank consolidation, though trade difficulties promote the opposite trend in the breaking down of a large State enterprise into three smaller units. Importance of the drive to build heavy industry at the expense of consumer production is clear from the number of trained factory specialists transferred to "basic construction." However, resistance of Government departments to giving up their technicians is revealed, as well as dissatisfaction with cadres promoted because of Party loyalty.

Apparently the Post Office has been negligent in pushing sales of ideologically desirable publications, as "quotas and priorities" henceforth will be fixed by the Publications Bureau; and special delivery service is discontinued, probably so personnel can devote more time to disseminating favored publications. A closer approach to the Soviet broadcasting system is suggested in plans to "eliminate major regional stations to centralize on rations," and to "improve programs." These changes obviously forecast tighter Peking controls, more Peking relays, and less independence for regional stations.

CONFIDENTIAL